Proceedings of the Madras Government, Revenue Department, 4th March 1861.

No. 36. Read the following letter from W. E. UNDERWOOD, Esq., to T. PYCROFT, Esq., Chief Secretary to Government, dated Ootacamund, 24th January 1861 :—

SIR,

1. I am led to understand, from the Calcutta papers, that the Supreme Government has decided that the Annuity of a Civil Servant, retired, is *not* liable to Income Tax, and I therefore have the honor to request you will obtain an order of Government directing the Sub-Treasurer to refrain from deducting the Income Tax in future, and to refund the money already deducted on that account.

2. The ground of exemption is, that the interest on the Government Securities, from which the Annuity is derived, has been made liable to deduction on account of Income Tax, and consequently a SECOND deduction cannot be made. This would be equivalent to taxing the interest on Government Securities, the property of an individual, and then making him pay a tax again on this portion of his income.

No. 37. ORDER THEREON, 4th March 1861, No. 489.

1. The Government are not aware of the existence of any such decision by th e Supreme Government as that alluded to by Mr. Underwood. e

2. The only order at present in force, to their knowledge, is that dated Fort William, 26th September last, No. 9,982, and re-published at page 993 of the "Fort Saint George Gazette" for last year, which decides that Annuities paid in India are subject to the Indian Income Tax.

(Signed) J. D. BOURDILLON,
Secretary to Government.

Revue Dépt.

No. 489.

ecedings of the Madras Government
Under date the 4th Inst. Bank 1861.

Read the following letter
from W. E. Underwood Esqr.

States that he under:
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that the Supreme Govt.
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c. Vc.

No. 9982. and republished at page 993 of the Fort Saint George Gazette for last year, which decides that annuities paid in India are subject to the Indian Income Tax.

Copy to W. E. Underwood Esq.
Pay. Off.

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5 ( )

Regarding Mr Underwoods annuity being subject to Income Tax.

1st Nov 1860 No 99-86

Revenue 1861 Dept
Pro: of Govt for March

No 489.

Pro: of the Madras Govt
Dated March 1861

On a letter from W. P. Underwood Esqr: requesting exemption of his annuity from Income Tax.

No 3687.